

CITY OF TIGARD, OREGON  
TIGARD CITY COUNCIL  
RESOLUTION NO. 10- 37

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 48  
(SW LOWER CHERRY DRIVE)

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WHEREAS, the City has initiated the Neighborhood Sewer Extension Program to extend public sewers and recover costs through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, the property owners of proposed Sanitary Sewer Reimbursement District No. 48 (SW Lower Cherry Drive) have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

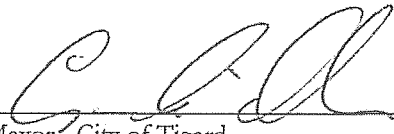
WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the Reimbursement District, the estimated costs, a method for spreading the cost among the parcels within the District, and a recommendation for an annual fee adjustment; and

WHEREAS, the City Council has determined that the formation of a Reimbursement District as recommended by the City Engineer is appropriate.

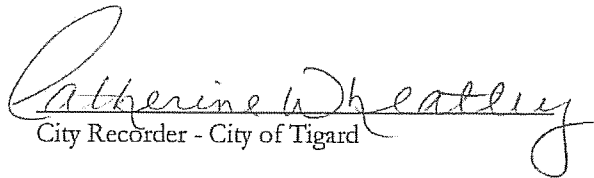
NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

- SECTION 1: The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 48," attached hereto as Exhibit A, is hereby approved.
- SECTION 2: A Reimbursement District is hereby established in accordance with TMC Chapter 13.09. The District shall be the area shown and described in Exhibit B. The District shall be known as "Sanitary Sewer Reimbursement District No. 48."
- SECTION 3: Payment of the reimbursement fee, as shown in Exhibit A, is a precondition of receiving City permits applicable to development of each parcel within the Reimbursement District as provided for in TMC 13.09.110.
- SECTION 4: An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the Reimbursement Fee.
- SECTION 5: The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.
- SECTION 6: This resolution is effective immediately upon passage.

PASSED: This 13th day of July 2010.

  
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Mayor - City of Tigard

ATTEST:

  
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City Recorder - City of Tigard

**Exhibit A**  
City Engineer's Report  
**Sanitary Sewer Reimbursement District No. 48**  
**(SW Lower Cherry Drive)**

Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program, the City of Tigard would install public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner would pay a connection and inspection fee, currently \$4,135, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic systems according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

Serving the 4 lots in the following table will require extending an existing sewer along the back lot lines of the lots to be served. No further extension of this line will be required. The surrounding area is completely served with sewer.

The proposed project would provide sewer service to a total of 4 lots within the proposed reimbursement district as shown on Exhibit Map B.

Cost

The estimated cost for the sanitary sewer construction to provide service to the 4 lots is \$129,017. Engineering and inspection fees amount to \$17,417 (13.5%) as defined in TMC 13.09.040(1). The sewer will be construction within easements purchased by the City at a cost of \$6,400. In addition, a total of \$2,822 will be paid to owners to compensate them for the cost of restoring property disturbed by construction. The estimated total project cost is \$155,657. This is the estimated amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays depends upon the extent to which the owner is eligible for the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay a connection and inspection fee, currently \$4,135, upon connection to the public line. All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties in the proposed district are zoned R-3.5 but vary in lot size from about 20,000 to 32,000 square feet as can be seen in the following list of lots. Therefore, it is

recommended that the total cost of the project be divided among the properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's estimated fair share of the public sewer line is \$1.5011 per square foot of lot served. Each owner's fair share would be limited to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55 (attached).

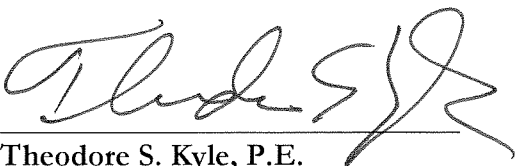
#### Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

#### Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted June 28, 2010

A handwritten signature in black ink, appearing to read 'Theodore S. Kyle', written over a horizontal line.

Theodore S. Kyle, P.E.  
City Engineer

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LOWER CHERRY DR  
CIP 2010 Sanitary Sewer Extension Program

*Estimated Cost to Property Owners*

*Summary*

*Thursday, April 22, 2010*

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Estimated Construction Costs	\$112,189
15.00% contingency (construction)	\$16,828
Estimated construction subtotal	\$129,017
13.50% Administration & Engineering	\$17,417
Easement Cost	\$6,400.00
Site Restoration	\$2,822.00
total project costs	\$155,657
total area to be served (S.F.)	103695
total cost per S.F. to property owner	\$1.50110847

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# **LOWER CHERRY DR** **CIP 2010 Sanitary Sewer Extension Program**

*Estimated Cost to Property Owners*

*Thursday, April 22, 2010*

Owner	Site Address	Tax Lot ID	Area (S.F.)	Area (AC)	Estimated Reimbursement Fee	Amount to be Paid by Owner	Amount to be Paid by City	Amount that can be Deferred by Owner
1 WIDMAN, THOMAS G	7550 SW CHERRY DR	2S101DC02000	28308.7	0.65	\$ 42,494	\$ 33,494	\$ 9,000	\$ 27,494
2 HERMANSON, PATRICIA M	7530 SW CHERRY DR	2S101DC01900	23398.3	0.54	\$ 35,123	\$ 26,123	\$ 9,000	\$ 20,123
3 CHEMARIN, LISA M &	7510 SW CHERRY DR	2S101DC01800	19755.8	0.45	\$ 29,656	\$ 20,656	\$ 9,000	\$ 14,656
4 MARTIN D. STEWRT & CARLA STEWRT	7570 SW CHERRY DR	2S101DC02100	32231.7	0.739	\$ 48,383	\$ 39,383	\$ 9,000	\$ 33,383
<b>Totals</b>			<b>103694.5</b>	<b>2.379</b>	<b>\$ 155,657</b>	<b>\$ 119,657</b>	<b>\$ 36,000</b>	<b>\$ 95,657</b>

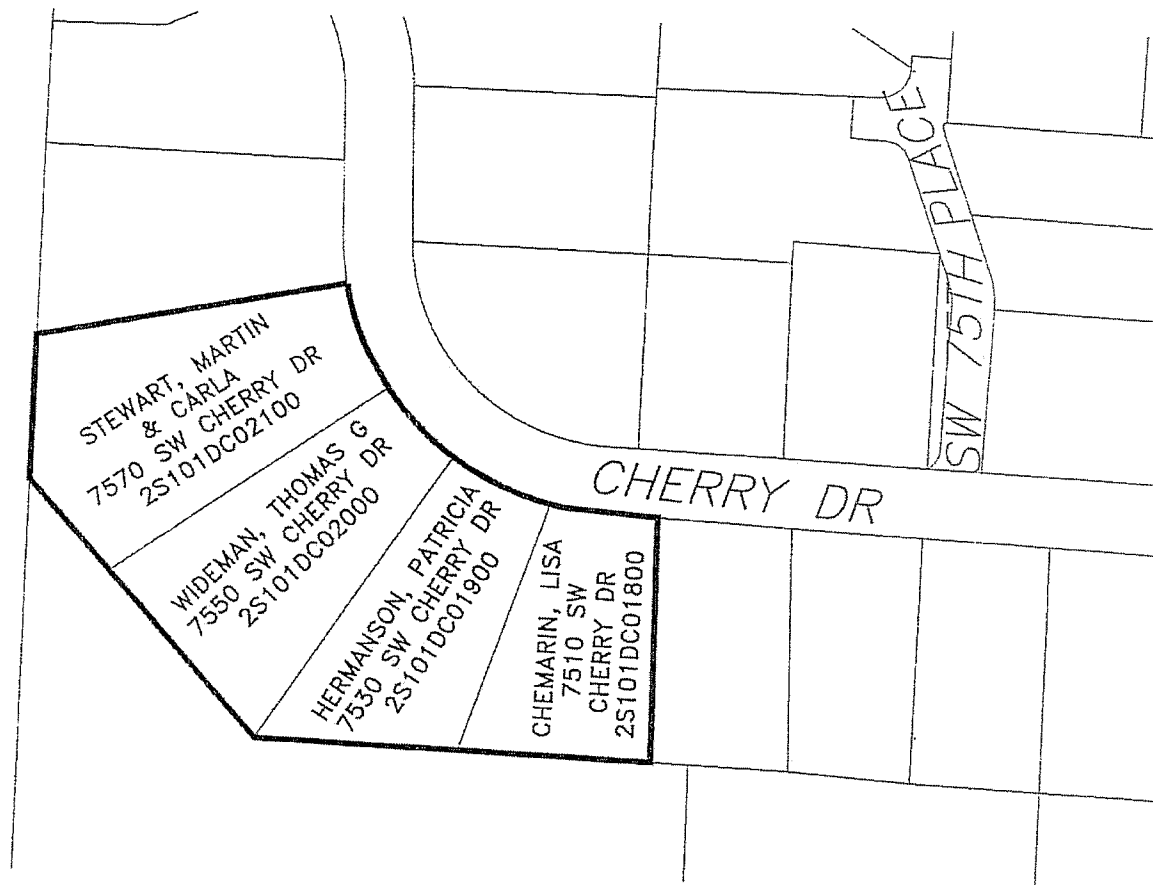
The "ESTIMATED REIMBURSEMENT FEE" column shows the estimated reimbursement fee for each lot. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer. The final reimbursement fee will be determined once construction is complete and final costs are determined.

In accordance with Resolution No. 01-46, each property owner will be required to pay the first \$6,000 of the final reimbursement fee for connections completed within the first three years of City Council's approval of the final City Engineer's Report following construction. The "AMOUNT TO BE PAID BY CITY" column shows that portion of the reimbursement fee that the owners will not be required to pay if they connect to the sewer during this three year period.

This resolution also requires owners to pay any fair share amount that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus that amount of the fair share that exceeds \$15,000. Under Resolution No. 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed. This amount is shown in the "AMOUNT THAT CAN BE DEFERRED BY OWNER" column.

In addition to the reimbursement fee, the owners will also be required to pay a connection fee, currently \$4,135, at the time of connection to the sewer. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

LOWER CHERRY DRIVE—REIMBURSEMENT DIST NO. 48  
FY 2009–10 SANITARY SEWER EXTENSION PROGRAM  
A PORTION OF THE NW 1/4 SECTION 11 T2S R1W W.M.



NOTE:

All properties in the reimbursement district are zoned R3.5

EXHIBIT B (p1)  
NTS